

OCT 03 2019

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

DEPT OF INSURANCE
BY 10/03/2019

In the Matter of:

**SENIOR HEALTH INSURANCE
COMPANY OF PENNSYLVANIA,
(NAIC NO. 76325)**

No. 19A-138-INS

**ORDER SUMMARILY SUSPENDING
CERTIFICATE OF AUTHORITY AND
NOTIFICATION OF RIGHTS**

Respondent.

The Arizona Department of Insurance (the "Department") alleges that **Senior Health Insurance Company of Pennsylvania ("Respondent")** has violated provisions of Arizona Revised Statutes ("A.R.S."), Title 20. In light of the serious nature of these allegations, the Director of the Arizona Department of Insurance ("Director") finds that the public health, safety and welfare imperatively require emergency action, within the meaning of A.R.S. § 41-1092.11(B).

FINDINGS OF FACT

1. Respondent is domiciled in Pennsylvania and presently holds a certificate of authority issued by the Arizona Department of Insurance ("Department") to transact disability and life insurance in Arizona.

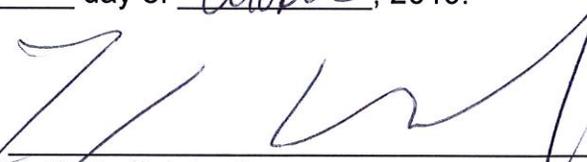
2. Respondent's continued operation of insurance business in the State of Arizona is deemed to be hazardous to its policyholders, creditors and/or the general public for the following reasons:

a. Respondent's March 31, 2019 Quarterly Statement filed with the Department disclosed a negative surplus balance in the amount of **four hundred eighty-eight million seven hundred seventy thousand six hundred thirty-eight dollars (\$488,770,638.00)**.

1 ORDER

2 IT IS ORDERED summarily suspending the Arizona certificate of authority held by
3 Respondent and, effective immediately, prohibiting the issuance of new and renewal Arizona
4 insurance.

5 DATED AND EFFECTIVE this 3rd day of October, 2019.

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8 Keith A. Schraad
9 Director of the Arizona Department of Insurance

10 NOTIFICATION OF RIGHTS

11 **You have the right to request a hearing on this determination by filing a notice of**
12 **appeal after your receipt of this notice.** The notice of appeal must identify the party
13 appealing, the party's address, the matter being appealed and must contain a detailed
14 statement of the reason for the appeal. Your hearing will be treated as a "appealable agency
15 action" and promptly instituted and determined as prescribed by A.R.S. §§ 41-1092(3), 41-
16 1092.05(E) and 41-1092.11(B) to the extent the Office of Administrative Hearings' calendar
17 permits. In any event, your hearing will be held within 60 days of the filing of your notice of
18 appeal, unless the hearing is advanced or delayed by agreement or a showing of good cause
19 by any party. The Department will serve a "Notice of Hearing" in accordance with A.R.S. §
20 41-1092.05(D) that will inform you of the date, time and location of the hearing as well as the
21 issues to be determined.

22 If you file an appeal, you may also request an "informal settlement conference"
23 pursuant to A.R.S. § 41-1092.06 by filing a **written request no more than twenty (20) days**
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1 **before the scheduled hearing.** The conference will be held within 15 days after our receipt
2 of your request. If an informal settlement conference is requested, a person with the authority
3 to act on behalf of the Department will be present. Please note that you waive any right to
4 object to participation of the Department's representative in the final administrative decision of
5 the matter if it is not settled.

6 Your notice of appeal and/or request for an information settlement conference may be
7 addressed to the attention of:

8 **Arizona Department of Insurance**
9 **Hearing Administration – Notice of Appeal**
10 **100 N. 15th Ave., Suite 102**
11 **Phoenix, Arizona 85007-2624**

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16 **COPY** of the foregoing mailed by U.S. First Class Mail and
17 Certified Mail, Return Receipt Requested
this 4th day of October, 2019, to:

18 Barry Lee Staldine, President
19 Senior Health Insurance Company of Pennsylvania
20 550 Congressional Boulevard, Suite 200
Carmel, IN 46032
Respondent

21 Senior Health Insurance Company of Pennsylvania
22 c/o Kristine Rickard, Service of Process
23 550 Congressional Boulevard, Suite 200
Carmel, IN 46032
Statutory Agent for Respondent

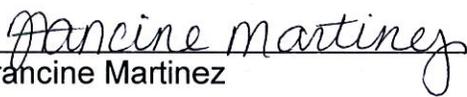
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1 **COPY** of the foregoing emailed/delivered same date to:

2 Kurt Regner, Assistant Director
3 Cary Cook, Chief Financial Compliance Officer
4 Mary E. Kosinski, Regulatory Legal Affairs Officer
5 Ana Starcevic, Paralegal Program Specialist
6 Liane Kido, Financial Affairs Division
7 Arizona Department of Insurance
8 100 N. 15th Ave., Suite 102
9 Phoenix, Arizona 85007-2624

6 **COPY** of the foregoing delivered electronically
7 same date to:

8 Deian Ousounov, Assistant Attorney General
9 AdminLaw@azag.gov
10 Attorney for the Arizona Department of Insurance

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11 _____
12 Francine Martinez

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